

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

INTELLECTUAL VENTURES II LLC, a)	
Limited Liability Company,)	
)	No. CV: 8:13-cv-00167
Plaintiff,)	
v.)	
)	
FIRST NATIONAL BANK OF OMAHA,)	
)	
Defendant.)	
)	
)	

**JOINT STATUS REPORT OF DECISIONS REGARDING U.S. PATENT NOS.
6,826,694; 5,745,574; 6,314,409; 6,715,084; AND 7,634,666**

Plaintiff Intellectual Ventures II LLC (“IV”) and Defendant First National Bank of Omaha (“FNBO”) hereby provide a Joint Status Report of decisions regarding U.S. Patent Nos. 6,826,694; 5,745,574; 6,314,409; 6,715,084; and 7,634,666 in accordance with the Court’s May 6, 2014 stay order (Dkt. 67).

All asserted claims of U.S. Patent Nos. 6,826,694; 5,745,574; 6,314,409; and 6,715,084 have been found either patent-ineligible by a district court, unpatentable by the Patent Trial and Appeal Board (“PTAB”), or both. The finding of patent ineligibility of U.S. Patent No. 6,314,409 was not appealed by IV. All presently appealable findings with respect to U.S. Patent Nos. 6,826,694; 5,745,574; and 6,715,084 are on appeal; all others will be appealed when they become appealable. The single asserted claim (claim 4) of U.S. Patent No. 7,634,666 has been found not invalid by the PTAB, which finding was upheld on appeal by the Federal Circuit.

I. Status of the Patents-In-Suit

A. U.S. Patent No. 6,826,694 (the “’694 patent”)

IV asserted claim 1, the sole claim of the ’694 patent, against FNBO. Claim 1 of the ’694 patent has been found patent-ineligible by a district court and has also been found unpatentable by the PTAB.

- On April 28, 2015 the court in *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, issued an order finding that claim 1 of the ’694 patent is patent-ineligible under 35 U.S.C. § 101. *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, 1:13-cv-03777, Dkt. 381 (S.D.N.Y.) (Exhibit A) (the “JPMC Order”).
- On September 23, 2015, the PTAB issued a Final Written Decision finding that claim 1 of the ’694 patent is unpatentable. *Compass Bank, Commerce Bancshares, Inc., and First Nat’l Bank of Omaha v. Intellectual Ventures II, LLC*, IPR2014-00786, Paper 46 (Sept. 23, 2015) (Exhibit B).
- On November 23, 2015, IV filed an appeal of the PTAB’s Final Written Decision in *Compass Bank, Commerce Bancshares, Inc., and First Nat’l Bank of Omaha v. Intellectual Ventures II, LLC*, IPR2014-00786, Paper 50 (Nov. 23, 2015) (Exhibit C). IV’s Opening Brief at the Federal Circuit was filed April 4, 2016 (Exhibit L) and the banks’ Response was filed June 16, 2016 (Exhibit M). IV’s Reply Brief is due July 19, 2016. Oral argument has not yet been scheduled.

B. U.S. Patent No. 5,745,574 (the “’574 patent”)

IV asserted claims 18-31 of the ’574 patent against FNBO. Claims 18-31 of the ’574 patent have been found unpatentable by the PTAB.

- On October 19, 2015 the PTAB issued a Final Written Decision finding that claims 18-31 of the ’574 patent are unpatentable. *Int’l Bus. Machs. Corp. v. Intellectual Ventures II, LLC*, IPR2014-00660, Paper 58 (Oct. 19, 2015) (Exhibit D).
- On November 5, 2015, the PTAB issued a Final Written Decision finding that claims 18-31 of the ’574 patent are unpatentable. *Compass Bank, Commerce Bancshares, Inc., and First Nat’l Bank of Omaha v. Intellectual Ventures II, LLC*, IPR2014-00724, Paper 41 (Nov. 5, 2015) (Exhibit E).
- On September 15, 2015 the court in *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, entered a Stipulated Dismissal with Prejudice regarding infringement of the ’574 patent. *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, 1:13-cv-03777, Dkt. 517 (S.D.N.Y.) (Exhibit N).

- On November 30, 2015, the court in *Intellectual Ventures II, LLC v. Citigroup, Inc. et al.*, entered a Stipulated Dismissal With Prejudice regarding infringement of the '574 patent. *Intellectual Ventures II, LLC, v. Citigroup, Inc., et al.*, 1:13-cv-04638, Dkt. 100 (S.D.N.Y.) (Exhibit U).

C. U.S. Patent No. 6,314,409 (the “’409 patent”)

IV asserted claims 1-11, 13-21, 23-27, 29-30, 32-33, and 36-39 of the '409 patent against FNBO. All asserted claims of the '409 patent have been found to be patent-ineligible by a district court and by the PTAB. IV has also cancelled claim 23 of the '409 patent.

- On April 28, 2015 the court in *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, issued an order finding that claims 1-11, 13-21, 23-27, 29-30, 32-33, 36-40, and 42 of the '409 patent are patent-ineligible under 35 U.S.C. § 101. *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, 1:13-cv-03777, Dkt. 381 (S.D.N.Y.) (Exhibit A).
- On September 4, 2015, the court in *Intellectual Ventures I, LLC, v. Capital One Fin. Corp.* issued an order finding the '409 patent invalid based on issue preclusion triggered by the *JPMC* Order. *Intellectual Ventures I, LLC, v. Capital One Fin. Corp.*, 8:14-cv-00111, Dkt. 382 (D. Md.) (Exhibit F). IV has decided not to appeal this ruling to the Federal Circuit.
- On November 3, 2014, IV cancelled claim 23 of the '409 patent. *Compass Bank, Commerce Bancshares, Inc., and First Nat'l Bank of Omaha v. Intellectual Ventures II, LLC*, IPR2014-00719, Paper 17 (Nov. 13, 2014) (Exhibit G).
- On January 12, 2016, the PTAB issued a Final Written Decision finding that claims 1–11, 13–21, 24–27, 29, 30, 32, 33, and 36–39 of the '409 patent are directed to patent-ineligible subject matter under 35 U.S.C. § 101. *J.P. Morgan Chase & Co., et al., v. Intellectual Ventures II, LLC*, CBM2014-00157, Paper 40 (January 12, 2016) (Exhibit O). The PTAB's finding of patent ineligibility was not appealed by IV.

D. U.S. Patent No. 6,715,084 (the “’084 patent”)

IV asserted claims 26-27 and 30-33 of the '084 patent against FNBO. All asserted claims of the '084 patent have been found patent-ineligible by a district court. Claims 26 and 30-33 of the '084 patent have also been found unpatentable by the PTAB.

- On April 28, 2015 the court in *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, issued an order finding that claims 1-2, 4-9, 12-20, and 22-33 of the '084 patent are patent-ineligible under 35 U.S.C. § 101. *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, 1:13-cv-03777, Dkt. 381 (S.D.N.Y.) (Exhibit A).

- On October 21, 2015, the PTAB issued a Final Written Decision finding that claims 26, 28, and 30-33 of the '084 patent are unpatentable. *Int'l Bus. Machs. Corp. v. Intellectual Ventures II, LLC*, IPR2014-00682, Paper 35 (Oct. 21, 2015) (Exhibit H).
- On October 21, 2015, the PTAB issued a Final Written Decision finding that claims 26, 28, and 30-32 of the '084 patent are unpatentable. *Commerce Bancshares, Inc., Compass Bank, and First Nat'l Bank of Omaha v. Intellectual Ventures II, LLC*, IPR2014-00801, Paper 23 (Oct. 21, 2015) (Exhibit I).
- On December 18, 2015, IV filed an appeal of the PTAB's Final Written Decision in *Compass Bank, Commerce Bancshares, Inc., and First Nat'l Bank of Omaha v. Intellectual Ventures II, LLC*, IPR2014-00801, (December 18, 2015) (Exhibit P). IV's Opening Brief at the Federal Circuit was filed April 28, 2016 (Exhibit Q) and the banks' Response was filed July 1, 2016 (Exhibit R). IV's Reply Brief is due August 15, 2016. Oral argument has not yet been scheduled.

E. U.S. Patent No. 7,634,666 (the “'666 patent”)

IV has asserted claim 4 of the '666 patent against FNBO.

- On April 3, 2015, the PTAB issued a Final Written Decision finding that IBM had not shown claims 1-11 of the '666 patent to be unpatentable. *Int'l Bus. Machs. Corp. v. Intellectual Ventures II, LLC*, IPR2014-00180, Paper 50 (Apr. 3, 2015) (Exhibit J).
- On July 16, 2015, IBM filed an appeal of the PTAB's Final Written Decision in *Int'l Bus. Machs. Corp. v. Intellectual Ventures II, LLC*, IPR2014-00180. *Int'l Bus. Machs. Corp. v. Intellectual Ventures II, LLC*, Case No. 2015-1837, Dkt. 1 (Fed. Cir.) (Jul. 16, 2015) (Exhibit K). On February 8, 2016, the Federal Circuit affirmed the PTAB's Final Written Decision. (Exhibit S).
- On June 15, 2016 the court in *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, issued an order inviting to, if the Plaintiff so wished to change the construction of “sign inversion unit,” to file a motion seeking such relief. *Intellectual Ventures II, LLC, v. JP Morgan Chase & Co., et al.*, 1:13-cv-03777, Dkt. 552 (S.D.N.Y.) (Exhibit T). Plaintiff filed such a motion on June 29, 2016 and Defendants opposed on July 14, 2016.

II. The Parties' Respective Positions As To Further Proceedings In This Case

A. IV's Position

IV believes that this case should remain stayed until the finding of invalidity as to any of U.S. Patent Nos. 6,826,694; 5,745,574; or 6,715,084 is reversed on appeal, or there is a verdict on the infringement and validity of U.S. Patent No. 7,634,666. IV anticipates making a motion to lift the stay when one of those events happens.

B. FNBO's Positions

This case should remain stayed. After the court stayed this case, all asserted claims of the '694, '084, '574, and '409 patents have been found invalid by a district court and/or by the PTAB. Further, various decisions regarding the invalidity of the patents-in-suit have been appealed. Staying this case through any appeal of a decision regarding the invalidity of the patents-in-suit will greatly simplify the issues in dispute. FNBO disagrees with any argument by IV regarding a possible future motion to lift the stay and will address those arguments if such a motion is filed.

IV has appealed the court's order in *Capital One* finding the '084 patent invalid based on issue preclusion triggered by the *JPMC* Order. *Intellectual Ventures I LLC v. Capital One Fin. Corp.*, Case No. 16-1077 (Fed. Cir.). The PTAB's findings of invalidity of claims of the '694 and '084 patents are currently under appeal as well. IV has also stated that it will appeal the *JPMC* Order finding that the '694, '409, and '084 patents are patent-ineligible under 35 U.S.C. § 101. *IV v. Capital One Fin. Corp.*, 8:14-cv-00111, Dkt. 411 at 5 (D. Md.) ("Once judgment is entered in the *JPMC* case, IV will appeal the New York court's § 101 invalidity decision . . ."). Accordingly, FNBO's position is that staying this case through any appeal of a decision regarding the invalidity of the patents-in-suit will greatly simplify the issues.

Dated: July 19, 2016

Respectfully submitted,

/s/ Jason S. Jackson

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing document was served upon all counsel of record who are deemed to have consented to electronic service via the Court's CM/ECF system on the 19th day of July, 2016.

/s/ Jason S. Jackson

Jason S. Jackson